



Westinghouse Credit Corporation

Three Gateway Center
Pittsburgh, PA 15222
(412) 255 4100

8397
RECORDATION NO. Filed & Recorded

JUN 18 1976 10 22 AM

* INTERSTATE COMMERCE COMMISSION

June 23, 1976

Interstate Commerce Commission
Washington, D. C. 20423

Gentlemen:

Enclosed for recordation under the provisions of Section 20(c) of the Interstate Commerce Act, as amended, are the original and two counterparts of an Equipment Lease dated as of May 25, 1973.

A general description of the railroad rolling stock covered by the enclosed document is set forth in Schedule I attached to this letter and made a part hereof.

The names and address of the parties are:

Lessor: Westinghouse Leasing Corporation
Three Gateway Center
Pittsburgh, Pennsylvania 15222

Lessee: Trustees of the Property of
Erie Lackawanna Railway Company
Midland Building
Cleveland, Ohio 44115

The undersigned is the Lessor mentioned in the enclosed document and has knowledge of the matters set forth therein.

Please return the original Equipment Lease to Robert C. Nash, Esq., Chapman and Cutler, 111 West Monroe Street, Chicago, Illinois 60603.

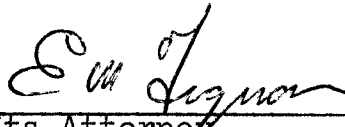
Interstate Commerce Commission
June 23, 1976
Page Two

Also enclosed is a check in the amount of \$50.00
covering the required recording fee.

Very truly yours,

WESTINGHOUSE LEASING CORPORATION

By



Its Attorney

Enclosures

SCHEDULE I

<u>Description</u>	<u>Quantity</u>	<u>Railroad's Road Number</u>	<u>Date Of Delivery</u>
90 Ton Depressed Center Flat Car	3	EL 7100	6-13-74
		EL 7101	6-13-74
		EL 7102	6-13-74
150 Ton Depressed Flat Car	3	EL 7600	9-13-74
		EL 7601	9-13-74
		EL 7602	9-13-74

CHAPMAN AND CUTLER

111 WEST MONROE STREET

CHICAGO 60603

726-6130

AREA CODE 312

TWX 910-221-2103

RALPH F. HUCK
PAUL W. CUTLER
FREDERICK O. DICUS
ROBERT S. BURROWS
LYMAN L. MITCHELL
PETER V. FAZIO
JOHN NIVANDER VRIES
JOHN A. CUTLER
BRUCE L. MOORE
NORMAN R. GENUING
DEY W. WATTS
JOHN A. MORRIS
FRANK J. MOONEY
KEEN LANDIS
M. NLY W. MUMFORD
WILFRED A. MOLDERMAKER
WILLIAM C. WELCH
ROBERT W. SHARP
GEORGE D. RAMSPECK
PETER P. COLADARCI
JAMES N. ZARTMAN
RICHARD G. FORWARD
JOHN B. HUCK
DAVID TALLANT, JR.

DAVID H. NELSON
ABBEY BLATTBERG
DONALD H. MURPHY
PHILLIP H. HOLM
HERBERT H. HANSEN
THOMAS W. HEENAN
LEE A. BOYE
KENNETH J. VAUGHAN
SAMUEL J. HENRY
WILLIAM M. TAYLOR
HOWARD H. HUSH, JR.
LARRY ELKINS
ROBERT V. LEWIS
DAVID G. WILLIAMS
DANIEL J. KUCERA
RICHARD H. GOSS
C. ROBERT FOLTZ
JOHN M. DIXON
KENNETH R. M. THOMPSON
JOHN A. WARD
MICHAEL W. FORD
VOYLE C. WILSON
RICHARD A. MAKARSKI
EDWIN S. BROWN

WILBERT R. SCHULTZ
STEVEN L. CLARK
HARRY P. LAMBERSON
JAMES E. JENZ
JOHN S. RICE
TERRENCE M. WALSH
PAUL C. KOSIN
RONALD E. ROKOSZ
ROBERT C. NASH
JAMES R. RICHARDSON
EARL T. BYRON
RANDALL L. MITCHELL
THOMAS A. WINGADER
STEVEN M. WOHL
TERRY A. MCILROY
GEORGE P. SULLIVAN, JR.
J. RICHARD FISHER, JR.
RAYMOND A. FYLSTRA
WENDY C. BINDER
MARK J. KNEEDY
STEPHEN F. STROH
JAMES E. SPOTTO
TIMOTHY V. MCGREE

JAMES E. LUEBCHOW
TERENCE T. O'MEARA
RICHARD J. SCOTT
ROBERT P. DAVIS
ANN ACKER
JEFFREY L. MULLENS
CHRISTOPHER D. NEWMAN
RICHARD G. SMOLEV
ROBERT W. OLLIS, JR.
TIMOTHY E. PICKRELL
RONALD E. RODEN
THOMAS R. WOOLSEY
TIMOTHY R. SCHWERTFELER
PAUL C. MARENGO
MARK P. COHEN
NEIL R. MANN
TERRENCE M. QUINN
DANIEL L. JOHNSON
MICHAEL P. BARRETT
SCOTT A. BREMER
DAVID C. HSIA
WILLIAM G. SCHUR
JOHN C. LYNCH

July 7, 1976

Mr. Robert Oswald
Secretary
Interstate Commerce Commission
Office of the Secretary
Washington, D. C. 20423

RECORDATION NO. 8397 Filed & Recorded

JUL 12 1976 11 30 AM

INTERSTATE COMMERCE COMMISSION

Re: Lease Agreement dated May 25, 1973
between Westinghouse Leasing Corporation
and Trustees of the Property of Erie
Lackawanna Railway Company

Gentlemen:

Enclosed please find the following:

- (1) Three copies of the Interstate Commerce Commission form transmittal letter.
- (2) An original counterpart of a Lease Agreement between Westinghouse Leasing Corporation and Trustees of the Property of Erie Lackawanna Railway Company, together with two copies of the Lease certified as to form by the Lessor.

6-184A011

Check payable to the ICC in the amount of \$50.00 representing the fee for filing the enclosed Lease.

NO.

JUL 12 1976

Date

Fee \$ 50-

ICC Washington, D. C

return the original copy of the Lease to:

Robert C. Nash
Chapman and Cutler
111 W. Monroe
Chicago, Illinois 60603

If you have any questions with respect to this matter, please contact the undersigned.

Very truly yours,

CHAPMAN AND CUTLER

By *Bob Nash*

RCN:db

enclosures

Interstate Commerce Commission
Washington, D.C. 20423

OFFICE OF THE SECRETARY

7/14/76

- **Robert C. Nash ,Esq.**
Chapman & Cutler
111 West Monroe Street
Chicago, Illinois 60603

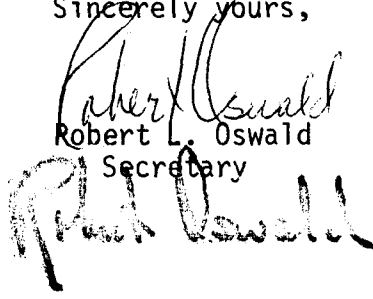
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Dear Sir:

The enclosed document was recorded pursuant to the provisions
of Section 20c of the Interstate Commerce Act, 49 U.S.C. 20c, on **7/12/76**
at **10:40am** , and assigned recordation number

8397

Sincerely yours,


Robert L. Oswald
Secretary

Enclosure

SE-39
(2/75)



Westinghouse Credit Corporation

Three Gateway Center
Pittsburgh, PA 15222
(412) 255 4100

June 23, 1976

RECORDATION NO. 8397
JUL 12 1976 - 10 40 AM
INTERSTATE COMMERCE COMMISSION

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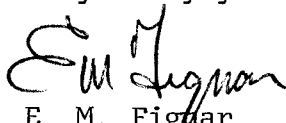
Interstate Commerce Commission
Washington, D.C. 20423

Gentlemen:

Attached please find an original and two copies of a Lease Agreement dated May 25, 1973 by and between Westinghouse Leasing Corporation and Thomas F. Patton and Ralph S. Tyler, Jr., Trustees of the Property of Erie Lackawanna Railway Company. The Lease was executed by Messrs. Maupin and Sever on behalf of Westinghouse and Messrs. Hahn and Adams on behalf of Erie.

As attorney for Westinghouse Leasing Corporation, I hereby certify that the copies of the Lease attached hereto are true and correct copies of the Lease referred to in the preceeding paragraph.

Very truly yours,


E. M. Figlar
Attorney

EMF/no

Attachments



Three Gateway Center
Pittsburgh, PA 15222
(412) 255 4100

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As attorney for Westinghouse Leasing Corporation, I hereby certify that the copies of the Lease attached hereto are true and correct copies of the Lease referred to in the preceeding paragraph.

Very truly yours,

E M Figner
E. M. Figner
Attorney

EMF/no

Attachments

LEASE AGREEMENT

THIS LEASE OF RAILROAD EQUIPMENT dated May 25, 1973
between WESTINGHOUSE LEASING CORPORATION
(Westinghouse) and Thomas F. Patton and Ralph S. Tyler, Jr.,
Trustees of the Property of ERIE LACKAWANNA RAILWAY COMPANY
(EL), Debtor and any additional trustees or the successors of
any of them (the Trustees),

W I T N E S S E T H:

WHEREAS, Maxson Corporation
(Manufacturer), and Westinghouse have executed a Purchase
Contract dated as of May 25, 1973 (said Purchase
Contract as so amended being hereinafter called the Purchase
Contract) whereby Manufacturer has agreed to manufacture and
sell and Westinghouse has agreed to purchase and pay for the
units of railroad equipment in Schedule A hereto (said equip-
ment hereinafter collectively called the Units and individually
a Unit);

WHEREAS, the Trustees desire to lease all of the
Units or such lesser number thereof as are delivered and
accepted in accordance with the provisions hereof;

WHEREAS, the Units are to be manufactured in accor-
dance with the specifications approved by Westinghouse and the
Trustees (such specifications being hereinafter called the
"Specifications");

WHEREAS, the Manufacturer, in consideration of the Trustees' agreement to lease the Units from Westinghouse, has agreed by a Warranty Agreement dated as of the date hereof (the Warranty Agreement) to be obligated to the Trustees and Westinghouse by certain covenants and warranties of the Manufacturer;

WHEREAS, the terms and provisions contained in this Lease and the Warranty Agreement constitute the only understanding, oral or written, between Westinghouse and the Trustees relating to the Units;

WHEREAS, the Trustees were duly appointed trustees of the property of Erie Lackawanna Railway Company by order of the United States District Court for the Northern District of Ohio Eastern Division (the Court), in proceedings under Section 77 of the Bankruptcy Act entitled "In the Matter of Erie Lackawanna Railway, Debtor," No. 72B2838 (Order No. 2 dated July 31, 1972 by Judge Robert B. Krupansky, U. S. District Judge); said appointment was duly ratified by an order of the Interstate Commerce Commission dated August 1972; and the Trustees were qualified as such by the Court and are now in possession of and operating the property of EL pursuant to Section 77 of the Bankruptcy Act and orders of the Court;

WHEREAS, by an order of the Court dated April 24, 1973, the form and terms of this Lease were approved by the Court in substantially the present form hereof, and the Trustees were duly authorized and directed to execute and deliver this Lease and otherwise to make and carry out the covenants and agreements on their part contained herein; and

WHEREAS, the Trustees represent that all acts and

things necessary to make this Lease valid and binding upon them have been done and performed;

NOW, THEREFORE, in consideration of the premises and of the rentals to be paid and the covenants hereinafter mentioned to be kept and performed by the Trustees, Westinghouse hereby leases the Units to the Trustees upon the following terms and conditions:

SECTION 1. DELIVERY AND ACCEPTANCE OF UNITS.

Each of the Units shall be inspected by authorized representatives of Westinghouse and the Trustees at the Manufacturer's plant at 500 Como Ave., St. Paul, MN , and again at the point of delivery; and if such Unit is in good order and condition and conforms to the Specifications and the other requirements of Section 1 of the Purchase Contract and to all applicable Federal Railroad Administration requirements and all standards recommended by the Association of American Railroads, such representatives shall execute and deliver to the Manufacturer and to Westinghouse a Certificate of Inspection and Acceptance in the form as set forth in Exhibit B hereto. On acceptance of delivery of any Unit as provided in this Section 1, possession of such Unit shall, for all purposes, be deemed to be held by the Trustees under and subject to all the terms and conditions of this Lease; provided, however, that no Certificate of Inspection and Acceptance shall diminish or otherwise affect the obligations of the Manufacturer under the Warranty Agreement. The Trustees shall promptly after the execution of this Lease deliver to Westinghouse a certificate signed by EL's Secretary setting forth the names and signatures of the persons authorized by the Trustees as their agents to execute and deliver Certificates of Inspection and Acceptance hereunder.

At all times during the continuance of this Lease,

title to the Units shall be vested in Westinghouse to the exclusion of the Trustees, and delivery of possession of the Units to the Trustees and their possession of the Units shall constitute a leasehold interest only.

SECTION 2. TERM OF THE LEASE. The initial term of this Lease (hereinafter called the "Initial Term"), as to each Unit, shall commence on the date of delivery to the Trustees specified in the Certificate of Inspection and Acceptance for such Unit and, subject to the provisions of Sections 9, 10, and 12 hereof, shall terminate on the day (hereinafter called the "Initial Term Terminal Day") preceding the fifteenth anniversary of the date of delivery of the last unit accepted. The term of this Lease shall expire on the Initial Term Terminal Day unless the Trustees exercise either or both of their rights and options to extend the term of this Lease as hereinafter provided in this Section 2.

Unless an Event of Default under Section 12 hereof shall have occurred and be continuing, the Trustees shall have the right and option, by written notice given to Westinghouse not less than 90 days prior to the Initial Term Terminal Day, to extend, subject to the provisions of Section 10 hereof, the term of this Lease with respect to any or all of the Units then subject to this Lease for an additional period of 5 years (hereinafter called the "First Extended Term"). Commencing on the fifteenth anniversary of the date of delivery of the last Unit accepted, and ending on the day (hereinafter called the "First Extended Term Terminal Day") preceding the twentieth anniversary of the date of delivery of the last Unit accepted.

Unless an Event of Default under Section 12 hereof shall have occurred and be continuing, the Trustees shall have

the right and option, by written notice given to Westinghouse not less than 90 days prior to the First Extended Term Terminal Day, to further extend, subject to the provisions of Section 10 hereof, the term of this Lease with respect to any or all of the Units then subject to this Lease for an additional 5 years (hereinafter called the "Second Extended Term"), commencing on the twentieth anniversary of the date of delivery of the last Unit accepted, and ending on the day (hereinafter called the "Second Extended Term Terminal Day") preceding the twenty-fifth anniversary of the date of delivery of the last Unit accepted.

In the event that the Trustees exercise either or both of such rights and options to extend the term of this Lease, the provisions of Sections 8, 9, 10, 11, 12 and 16 hereof shall be applicable during the Initial Term and such extended term of this Lease.

From and after the date of execution hereof until the expiration or termination of the Initial Term or any extension thereof, as to any Unit as set forth in this Section, this Lease shall not be subject to termination by Westinghouse except pursuant to Section 12 hereof upon the occurrence of an Event of Default, or by the Trustees except pursuant to Section 10 hereof.

SECTION 3. RENTALS. The Trustees agree to pay to Westinghouse, in cash, for the Initial Term of this Lease rental for each of the Units subject to this Lease at the monthly rate specified for such type of Unit on Exhibit A hereof. Such rental shall begin to accrue on the date on which such Unit is delivered to and accepted by the Trustees hereunder and continue during the period ending on the earlier of (i) the Initial Term Terminal Day or (ii) the date, if any, on which

this Lease shall terminate with respect to such Unit pursuant to Section 10 or Section 12 hereof.

Freight on the Units from 500 Como Ave. St. Paul, MN to the point of delivery will be prepaid by the Manufacturer and billed by the Manufacturer to the Trustees accompanied by prepaid freight bill which bill the Trustees hereby agree to pay promptly upon receipt thereof.

In the event that the Trustees exercise their first right and option to extend the term of this Lease, the Trustees agree to pay to Westinghouse, in cash, during the First Extended Term rental for each of the Units subject to the First Extended Term of this Lease at the annual rate specified for such type of Unit on Exhibit A hereof beginning on the fifteenth anniversary of the date of delivery of the last Unit accepted and ending on the earlier of (i) the First Extended Term Terminal Day or (ii) the date, if any, on which this Lease shall terminate with respect to such Unit pursuant to Section 10 or Section 12 hereof.

In the event the Trustees exercise their second right and option to further extend the term of this Lease, the Trustees agree to pay to Westinghouse, in cash, during the Second Extended Term rental for each of the Units then subject to the Second Extended Term of this Lease at the annual rate specified on Exhibit A hereto beginning on the twentieth anniversary of the date of delivery of the last Unit accepted beginning on such twentieth anniversary and ending on the earlier of (i) the Second Extended Term Terminal Day or (ii) the date, if any, on which this Lease shall terminate with respect to such Units pursuant to Section 10 or Section 12 hereof.

The Trustees agree to pay such rental to Westinghouse as follows: For the calendar month during which a Unit is

delivered and accepted a daily pro rata rental rate for such Unit will be payable from the date of acceptance through the last day of that month on or before the 1st day of the following month and the rental for each succeeding month will be payable in advance on the first business day of the calendar month. Rentals for extended periods, if any, will be payable monthly, in advance, on the first business day of the calendar year.

The Trustees will pay, to the extent legally enforceable, interest at the rate of 10% per annum upon rentals remaining unpaid after the same shall have become due and payable under any of the provisions of this Lease.

All payments to be made to Westinghouse will be made at its office at Three Gateway Center, Pittsburgh, Pennsylvania 15222 or at such other place or places as shall be directed in writing by Westinghouse.

SECTION 4. COVENANTS, REPRESENTATION AND WARRANTIES.

(a) Westinghouse represents and warrants that, at the time a Unit becomes subject to this Lease, Westinghouse will be the true and lawful owner thereof and that such Unit will be free and clear of all liens and encumbrances of any nature whatsoever except only the rights of the Trustees hereunder and of the holder of any chattel mortgage or conditional sale agreement or of the trustee of an equipment trust or of the holder of any other lien created by Westinghouse on such Units (subject to the rights of the Trustees) and except for liens for taxes, assessments or governmental charges or levies not yet due and delinquent or not yet subject to penalty for non-payment, or undertermined or inchoate materialmen's, mechanics', workmen's, repairmen's, employees' or other like liens arising in the

ordinary course of business and not delinquent (such liens being herein called "Permitted Liens"). Westinghouse agrees to pay or hold the Trustees harmless from any such Permitted Liens. THE FOREGOING WARRANTY IS EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES BY WESTINGHOUSE, WHETHER WRITTEN, ORAL OR IMPLIED, INCLUDING WITHOUT LIMITATION ANY WARRANTY OR MERCHANTABILITY OR FITNESS OF ANY KIND.

(b) The Trustees represent and warrant that:

(i) They were duly appointed Trustees of the Property of EL by order of the Court which appointment was by order duly ratified by the Interstate Commerce Commission, and that they are duly vested with the title to the properties of EL and have power and authority to carry on EL's business.

(ii) The execution and delivery of this Lease by them (or their Designated Agents) and their assumption and undertaking of the obligations, duties and liabilities hereof have been duly authorized by an order of said Court; and this Lease is legal, valid, binding and enforceable against them in accordance with its terms.

(iii) The rights of Westinghouse as set forth herein and its title to the Units is free and clear of the lien, charge or security interest created by any mortgage, security agreement or other instrument binding upon the Trustees or EL.

(iv) Except for authorization by the Court

of the execution and delivery of this Lease by the Trustees, no governmental authorizations, approvals or exemptions are required for the execution and delivery of this Lease or for the validity and enforceability hereof or for the leasing of the Units hereunder or for the payment of the rentals or the assumption of the obligation imposed by any other term or condition contained herein; or, if any such authorizations are required, they have been acquired and, if any such shall hereinafter be required, they will be promptly obtained.

(v) No litigation or administrative proceedings are pending or to the knowledge of the Trustees are threatened against Them, the adverse determination of which would affect the validity of this Lease or the rights of Westinghouse hereunder.

(vi) Obligations to make rental and other payments under this Lease will constitute expenses of administration of the Trustees payable on a parity with other equipment obligations theretofore or thereafter assumed or incurred by the Trustees; and, upon occurrence of an Event of Default under this Lease, any claim for damages will constitute an expense of administration.

SECTION 5. OPINIONS OF COUNSEL. Concurrently with the delivery of Certificates of Inspection and Acceptance hereunder, the Trustees will deliver to Westinghouse an opinion of the Trustees' counsel to the effect that (i) the Trustees and

any additional trustee or the successor of any of Them have been duly appointed as trustees of the property of EL by order of the Court, which appointment has been duly ratified by order of the Interstate Commerce Commission, and that They are duly vested with title to the properties of EL and have the power and authority to carry on its business; (ii) the execution and delivery of this Lease by the Trustees and their assumption and undertaking of the obligations, duties and liabilities hereof have been duly authorized by an order of the Court; and this Lease is legal, valid, binding and enforceable against the Trustees in accordance with its terms; (iii) the rights of Westinghouse as herein set forth and its title to the Units are free and clear of the lien of any mortgage, security agreement or other instrument binding upon the Trustees or EL; (iv) obligations to make rental and other payments under this Lease will constitute expenses of administration of the Trustees, payable on a parity with other equipment obligations theretofore or thereafter assumed or incurred by the Trustees; and, upon occurrence of an Event of Default under this Lease, any claim for damages will constitute an expense of administration; (v) this Lease has been filed and recorded in such public offices as are necessary for the full protection of the rights of Westinghouse in the United States of America and in Canada; and (vi) no approval of the Interstate Commerce Commission or any other governmental authority (except the Court in the proceedings for the reorganization of EL) is necessary for the execution and delivery of this Lease or, if any such approval is necessary (specifying the same), that it has been obtained. The Trustees' counsel who delivers such opinion to Westinghouse may rely upon an opinion of Canadian counsel.

SECTION 6. IDENTIFICATION PLATES. Upon or before the delivery to the Trustees of each of the Units the Manufacturer

has agreed to cause to be plainly, distinctly, permanently and conspicuously placed and fastened upon each side of such Unit a metal plate on which plainly and conspicuously appear the following words in letters not less than one inch in height.

WESTINGHOUSE LEASING CORPORATION
PITTSBURGH, PENNSYLVANIA
OWNER AND LESSOR

In case, during the continuance of this Lease, any such plate shall at any time be painted over or otherwise made inconspicuous, removed, defaced or destroyed on any Unit, the Trustees shall immediately cause the same to be restored or replaced. The Trustees will not allow the name of any person, association, or corporation to be placed on any of the Units as a designation which might be interpreted as indicating a claim of ownership thereof by any person, association or corporation other than Westinghouse or its assignee; but the Units may be lettered with the names or initials or other insignia customarily used by the Trustees on equipment of the same or a similar type for convenience of identification of the rights to use and operate the Units under this Lease.

SECTION 7. NUMBERING. On or prior to the time of delivery of each Unit to the Trustees, Manufacturer has agreed to cause to be placed on each side of such Unit the owner's identity, as indicated in Section 6 above, and the Railroad's Road Number. At all times thereafter, during the continuance of this Lease, the Trustees will cause each Unit to bear the numbers so assigned to it, and the Trustees will not change or permit to be changed, the numbers of any such Units, except in accordance with a statement of new numbers to be substituted therefor which previously shall have been filed with

Westinghouse by the Trustees and filed, recorded or deposited

in all public offices where this Lease will have been filed, recorded or deposited.

SECTION 8. TAXES. The Trustees agree that, during the continuance of this Lease, in addition to the rentals herein provided, they will promptly pay all taxes, assessments and other governmental charges levied or assessed upon or in respect of the Units or any thereof or upon the use or operation thereof or the earnings arising therefrom, if and to the extent that any such taxes, assessments or other governmental charges may give rise to any lien upon the Units or may become a claim entitled to priority over any of the rights of Westinghouse in and to the Units, and as additional rental will promptly pay or reimburse Westinghouse for all taxes, assessments and other governmental charges levied or assessed against the Trustees or any predecessor or successor in title of the Trustees solely on account of ownership of the Units or any thereof or on account of the use or operation thereof or on account of the earnings arising therefrom (exclusive, however, of any tax in the nature of an income tax on the net income from the rentals herein provided), including any sales, use or similar taxes payable on account of the sale or delivery of the Units by the Manufacturer to Westinghouse or the leasing of the Units hereunder; but the Trustees shall not be required to pay the same so long as they shall in good faith and by appropriate legal or administrative proceedings contest the validity or amount thereof unless thereby, in the judgment of Westinghouse, the rights or interest of Westinghouse will be materially endangered, nor shall the Trustees be required to make any tax payment which is deferred by order of a court having jurisdiction, provided that such deferment shall not subject the title and interest of Westinghouse in and to the Units to any lien or encumbrance. In the event any tax reports are required to be made on the basis of individual

Units, the Trustees will either make such reports in such manner as to show the ownership of such Units by Westinghouse or will notify Westinghouse of such requirement and will make such report in such manner as shall be satisfactory to Westinghouse.

SECTION 9. MAINTENANCE, LIENS AND INSURANCE.

(a) Westinghouse makes no warranty or representation, either expressed or implied, in respect of the Units, including, without limitation, any warranty or representation as to the fitness, design or condition of, or as to the quality of the material, equipment or workmanship in, the Units delivered to the Trustees hereunder, it being agreed that all such risks, as between Westinghouse and the Trustees, are to be borne by the Trustees.

(b) The Trustees agree, during the continuance of this Lease, at their own cost and expense to maintain and keep all of the Units in good order and repair.

(c) Except for alterations or changes required by law, the Trustees shall not, without the prior written approval of Westinghouse, effect any change in the design, or construction of the Units or in the Specifications.

(d) Any parts installed or replacements made by the Trustees upon any Unit (except for special devices which have been added to the Units by the Trustees, the cost of which is not included in Manufacturer's total unit price on which the rentals hereunder have been computed, which is not required for the operation or use of the Units and which can be removed without material injury to the Units) shall be considered accessions to such Unit and title thereto shall be immediately vested in Westinghouse, without cost or expense to Westinghouse.

(e) The Trustees shall pay or satisfy and discharge any and all sums claimed by any party which, if unpaid, might become a lien or a charge upon the Units or entitled to priority over any of the rights of Westinghouse in and to the Units, but the Trustees shall not be required to discharge any such claim so long as they shall in good faith and by appropriate legal proceedings contest the validity thereof in any reasonable manner which, in the opinion of Westinghouse, will not affect or endanger the title and interest of Westinghouse in and to the Units.

(f) The Trustees shall, at their own cost and expense insure Westinghouse against any and all claims, demands, suits, judgments or causes of action for or on account of injury to or death of persons, or loss or damage to property which may result from or grow in any manner out of the control, use or operation of the Units under this Lease whether or not in the possession of the Trustees, provided, however, that they do not assume liability in respect of representatives, agents or employees of the Manufacturer or Westinghouse, and provided, further, that Westinghouse will assign or pay over to the Trustees any and all claims which it may have against third parties in respect of loss or damage to the Units if the Trustees are not in default under this Lease.

SECTION 10. LOSS, THEFT OR DESTRUCTION OF A UNIT.

In the event any Unit is lost or stolen or is destroyed or damaged beyond economic repair from any cause whatsoever, or shall be requisitioned, taken over or nationalized by any governmentatl authority under the power of eminent domain or otherwise during the term of this Lease (except by a Reorganized Company, as hereinafter defined), and all of the obligations of the Trustees hereunder are not assumed by such governmental authority within 60 days after such nationalization, the Trustees

shall promptly and fully inform Westinghouse of such occurrence and shall, within 30 days after such occurrence, pay to Westinghouse, as liquidated damages in lieu of any further claim of Westinghouse hereunder in respect of such Unit, except for accrued rent and such claims as arise or exist under Sections 8 and 9 hereof, the present worth, as hereinafter defined, of the total remaining rental for such Unit plus the Net Scrap Value, as hereinafter defined, for such Unit.

The present worth of the total remaining rental for such Unit as used in this Section 10 shall mean an amount equal to such rental discounted on a 8.42% per annum basis compounded monthly from the date of such occurrence to the appropriate Terminal Day as defined in Section 2 hereof.

The Net Scrap Value of each Unit shall mean an amount in cash equal to the current quoted price per gross ton of No. 1 Heavy Railroad Melting Steel Scrap, prevailing at Pittsburgh, Pennsylvania, as published in Iron Age or other reputable industrial journals, on the first day of the month preceding the month in which payment of such Net Scrap Value is required to be made, multiplied by the gross weight of such Unit on that portion thereof which qualifies as such No. 1 Heavy Railroad Melting Steel Scrap.

In case upon the requisition, take over or nationalization of any of the Units as hereinbefore provided the Trustees shall fail to make payment therefor to Westinghouse pursuant to this Section 10; (i) this Lease shall be in default, (ii) Westinghouse shall be entitled to the full amount of any award or recovery from such occurrence, (iii) and the Trustees, who hereby expressly waive any right or claim thereto in that event, shall not be entitled to any part of such award or recovery as damages or otherwise.

This Lease shall continue in full force and effect irrespective of the cause, place or extent of any damage, loss, destruction, requisition, take over or nationalization of any of the Units, the risk of which shall be borne by the Trustees; provided, however, that this Lease shall terminate with respect to any Unit which is lost, stolen, destroyed or damaged beyond repair or requisitioned, taken over or nationalized on the date Westinghouse shall receive payment of the amount required to be paid to it on account of such Unit under this Section 10.

SECTION 11. COMPLIANCE WITH LAWS AND RULES:

The Trustees agree to comply in all respects with all laws of the jurisdictions in which their operations involving the Units may extend and with all lawful rules of the Federal Railroad Administration and any other legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Trustees or over the Units, to the extent that such laws and rules affect the operation, maintenance or use of the Units. In the event such laws or rules require the alteration of the Units, the Trustees will conform therewith at their expense, and will maintain the same in proper condition for operation under such laws and rules; provided, however, that the Trustees may, in good faith, contest the validity and application of any such law or rule in any reasonable manner which does not, in the opinion of Westinghouse, adversely affect its property or its rights as owner hereunder.

SECTION 12. DEFAULT. If, during the continuance of this Lease or any extension thereof, one or more of the following events shall occur:

(a) default shall be made in the payment of any part of the rental provided in Section 3 hereof and such default shall continue for five (5) days after written notice from Westinghouse to the Trustees;

(b) The Trustees shall make or suffer any unauthorized assignment or transfer of this Lease or of possession of the Units or any of them except for the requisitioning, taking over or nationalizing described in Section 10 of this Lease and shall fail or refuse to cause such assignment or transfer to be cancelled by agreement of all parties having any interest therein and to recover possession of such Unit or Units within thirty (30) days after written notice from Westinghouse to the Trustees demanding such cancellation and recovery of possession;

(c) default shall be made in the observance or performance of any other of the covenants, conditions and agreements on the part of the Trustees contained herein and such default shall continue for thirty (30) days after written notice from Westinghouse to the Trustees specifying the default and demanding the same to be remedied;

(d) any material representation made by the Trustees herein or hereunder or in any certificate or other instrument delivered under or pursuant to any provision hereof shall prove to have been false or incorrect in any material respect on the date as of which made;

(e) the order dated June 26, 1972 of the United States District Court for the Northern District of Ohio in the pending proceedings for the reorganization of EL, authorizing the execution and delivery of this Lease by the Trustees and their undertaking of the obligations, duties and liabilities hereof, shall be reversed, modified, amended or superseded in any material respect which might adversely affect any of the rights, powers, privileges and remedies of Westinghouse under this Lease and the order effecting such reversal, amendment, modification or superseding of said order shall not have been vacated or set aside or stayed within 60 days from the date of entry thereof;

(f) a plan of reorganization of the Railroad approved by the Court in the pending proceedings for the reorganization of EL and said plan does not provide for the assumption by the Reorganized Company as hereinafter defined of each and every obligation of the Trustees under this Lease in form and substance satisfactory to Westinghouse;

(g) a petition for reorganization under Section 77 of the Bankruptcy Act, as now constituted or as said Section 77 may be hereafter amended, shall be filed by or against any Reorganized Company as hereinafter defined and all the obligations of the Trustees under this Lease shall not have been duly assumed by a trustee or trustees appointed in such proceedings or otherwise given the same status as obligations assumed by such a trustee or trustees within thirty (30) days after such appointment, if any, or sixty (60) days after such petition shall have been filed, whichever shall be earlier; or

(h) any proceedings shall be commenced by or against any Reorganized Company as hereinafter defined for any relief under any bankruptcy or insolvency laws, or laws relating to the relief of debtors, readjustments of indebtedness, reorganizations, arrangements, compositions or extensions (other than a law which does not permit any readjustment of the indebtedness payable hereunder), and all the obligations of the Trustees under this Lease shall not have been duly assumed by a trustee or trustees or receiver or receivers appointed for such Reorganized Company or for its property in connection with any such proceedings or otherwise given the same status as obligations assumed by such a trustee or trustees or receiver or receivers, within thirty (30) days after such appointment, if any, or sixty (60) days after such proceedings shall have been commenced, whichever shall be earlier; then, in any such

case (herein sometimes called Events of Default), Westinghouse, at its option, may

(1) proceed by appropriate court action or actions, either at law or in equity, to enforce performance by the Trustees of the applicable covenants of this Lease or to recover damages for the breach thereof; or

(2) by notice in writing to the Trustees terminate this Lease, whereupon all their right to the use of the Units shall absolutely cease and determine as though this Lease had never been made, but the Trustees shall remain liable as herein provided; and thereupon they shall deliver possession of the Units to Westinghouse in accordance with Section 16 hereof unless such delivery is impossible because the Units or any portion thereof were requisitioned, taken over or nationalized as described in Section 10 and Westinghouse may by its agents enter upon the premises of the Trustees or other premises where any of the Units may be and take possession of all or any of such Units (damages occasioned by such taking of possession are hereby expressly waived by the Trustees) and thenceforth hold, possess and enjoy the same free from any right of the Trustees, or their successors or assigns, to use the Units for any purpose whatever; but Westinghouse shall nevertheless have a right to recover from the Trustees any and all amounts which under the terms of this Lease may be then due or which may become due and unpaid for the use of the Units (including rentals accruing on the Units after the date of default); and also to recover forthwith from the Trustees (to the extent not recovered pursuant

to the foregoing) the following: (i) as damages for loss of the bargain and not as a penalty a sum with respect to Units where the term has not expired, which represents the excess of the present worth at the time of such termination, of the aggregate of the rentals for the Units which would otherwise have accrued hereunder from the date of such termination to the Terminal Day of the then current term over the then present worth of the Fair Rental Value of such Units for such period; plus interest on such excess at the rate of 9% per annum commencing on the date of such notice. Fair Rental Value shall be determined in the same manner as Fair Market Value is determined in Section 17, Paragraph 2 herein. Such present worths are to be computed in each case by discounting such rental payments at a rate of 8.42% per annum, compounded monthly from the respective dates upon which rentals would have been payable hereunder had this Lease not been terminated to the time of such termination, and (ii) any expenses incurred in the retaking, storage, repairing and lease, sale or other disposition, and reasonable attorneys' fees incurred by Westinghouse, plus an amount equal to accrued taxes and other amounts payable hereunder by the Trustees with respect to the Units, all costs, expenses, losses and damages incurred or sustained by Westinghouse by reason of such default, at interest at the rate of 9% per annum on each of the foregoing items in this subparagraph (ii) and on all sums not paid when due under this Lease.

If on the date of such termination or repossession any Unit is damaged, lost, stolen or destroyed or

subject to requisition, take over or nationalization by any governmental agency or is subject to any levy, seizure, assignment, application or sale for or by any creditor, the Trustees shall also remain liable for payment of the amounts specified in Section 10 hereof.

The remedies in this Lease provided in favor of Westinghouse shall not be deemed exclusive, but shall be cumulative, and shall be in addition to all other remedies in its favor existing at law or in equity. The Trustees hereby waive any mandatory requirements of law, now or hereafter in effect, which might limit or modify any of the remedies herein provided, to the extent that such waiver is permitted by law. No delay or omission of Westinghouse in the exercise of any power or remedy given herein shall be deemed a waiver of such power or remedy. In the event that Westinghouse shall bring suit and be entitled to judgment hereunder, then it shall be entitled to recover reasonable expenses, including attorneys' fees and the amount thereof shall be included in such judgment.

SECTION 13. POSSESSION AND USE OF THE UNITS.

Unless an Event of Default shall have occurred and be continuing, the Trustees shall be entitled to the possession and use of the Units in accordance with the terms of this Lease. They shall not, without the prior written consent of Westinghouse, part with the possession or control of, or suffer or allow to pass out of their possession or control, any of the Units except that the Trustees may permit the use thereof or any part thereof by other railroads in the usual interchange of traffic.

SECTION 14. ANNUAL REPORT. Trustees will furnish to Westinghouse on or before May 1 in each year commencing 1974 and on such other date or dates as Lessor may from time to time

reasonably request, an accurate report certified by a duly authorized agent or officer of the Trustees, stating as of a recent date (not exceeding 90 days preceeding the date of such report) (a) the Railroad's Road Numbers of the Units then subject to this Lease, (b)

the Railroad's Road Numbers of all Units that have become lost, destroyed or irreparably damaged since the date of the previous report (or since the date hereof in the case of the first such report), (c) the

Railroad's Road Numbers of all serviceable Units, (d) that all Units then subject to this Lease have been kept in good order and repair or, if such be the case, the Railroad's Road Numbers of all Units then awaiting repairs or being repaired in accordance with Section 9 hereof, (e) that the metal plates affixed to the Units as required by Section 6 hereof have remained and presently are affixed to each side of each Unit, and such plates have not been painted over or otherwise made inconspicuous or defaced, and (f) that, to the best of their knowledge, no Event of Default, and no event which with the giving of notice and lapse of time, would constitute an Event of Default, has occurred during the year immediately preceding the date as of which such report is made, or, if any such Event of Default or other such event has occurred, specifying the same and the nature and the status thereof. The Trustees will furnish copies of such reports to such persons as Westinghouse may from time to time designate in writing to them. Westinghouse shall have the right, by its agents, to inspect the Units and/or the Trustees records with respect thereto at reasonable times and places and upon reasonable notice during the continuance of this Lease or any extension thereof.

SECTION 15. ASSIGNMENT.

(a) All rights, benefits and advantages of Westinghouse

hereunder may be assigned, pledged, mortgaged, transferred or otherwise disposed of, either in whole or in part, and/or Westinghouse may assign, pledge, mortgage, transfer or otherwise dispose of title to the Units, with or without notice to the Trustees subject to their rights hereunder.

(b) The Trustees, without the prior written consent of Westinghouse, shall not sell, assign, transfer or encumber their leasehold interest under this Lease in any of the Units, except that the Trustees may assign and transfer their leasehold interest hereunder in the Units and the possession thereof to any railroad which shall have assumed all of their obligations hereunder and into or with which they shall have merged or consolidated and except that they may sublet the Units or any of them to any corporation or railroad so long as their obligations hereunder are not extinguished by such subletting (except to the extent that the provisions of any mortgage now or hereafter created on any of the lines of railroad of the Trustees or any other liens authorized by the Court in the proceedings for the reorganization of the Railroad may subject such leasehold interest to the lien thereof). Any assignment prohibited by this Section 15 shall be void.

(c) Nothing in this Section 15 shall be deemed to limit the right of the Trustees to assign and transfer their leasehold interest hereunder in the Units and the possession thereof to a Reorganized Company (as hereinafter defined) or to a governmental agency established to acquire railroad equipment, provided that all the obligations then existing or to accrue of the Trustees under this Lease shall be assumed as a general obligation by such Reorganized Company or governmental agency.

(d) After any assignment and transfer of the Trustees leasehold interest hereunder in the Units and the possession

thereof as above permitted, nothing in this Section 15 shall be deemed to limit the right of the Reorganized Company (as hereinafter defined), as successor to the Trustees, at any time further to assign and transfer their leasehold interest hereunder in the Units and the possession thereof to any successor corporation which shall have assumed all of the obligations hereunder of the Trustees and into or with which such Reorganized Company shall have merged or consolidated or which shall have acquired the greater portion of the property of such Reorganized Company; nor shall anything in this Section 15 be deemed to limit such successive assignments and transfers.

(e) The term "Reorganized Company" shall mean any corporation (which may be EL) or governmental agency which acquires the greater portion of the lines of railroad comprised in the EL's estate and thereafter shall include any successor which shall have become such in compliance with paragraph (d) of this Section 15.

(f) The term "Trustees" whenever used in this Lease means Thomas F. Patton and Ralph S. Tyler, Jr., Trustees of the property of the EL, as well as any successor or additional trustees of such property, before any assignment and transfer of the Trustees leasehold interest hereunder in the Units and the possession thereof to a Reorganized Company as hereinbefore provided in this Section 15 and thereafter shall mean any Reorganized Company.

(g) The liabilities and obligations of said Trustees, Thomas F. Patton and Ralph S. Tyler, Jr., as well as of any such successor or additional trustees, under and in respect of this Lease, are the liabilities of such Trustees, or any or all of them solely as trustees of the property of the EL, and not individually. Said Trustees and any successor or additional trustees shall not be relieved of their liabilities or obligations

as such Trustees under or in respect of this Lease, except upon any assignment and transfer of the Trustees leasehold interest hereunder in the Units and the possession thereof to a Reorganized Company as hereinbefore provided in this Section 15.

SECTION 16. RETURN OF UNITS. Upon the expiration of the term of this Lease, or if Westinghouse shall rightfully demand possession of the Units pursuant to this Lease or otherwise, the Trustees shall forthwith deliver the possession of the Units to Westinghouse. For such purpose the Trustees shall at their own cost and expense forthwith assemble the Units and place them upon such storage tracks of the Trustees as Westinghouse may designate, or, in the absence of such designation, as the Trustees may select, and they shall permit Westinghouse to store said Units on such tracks for a period not exceeding one hundred (100) days from the date that all Units are so assembled at the risk of Westinghouse, and shall at their own cost and expense transport or cause to be transported the same or any thereof, at any time within such one hundred (100) day period to any place or places on the lines of railroad operated by them or to any connecting carrier for shipment, all as directed by Westinghouse. The assembling, delivery, storage and transporting of the Units as hereinabove provided are of the essence of this Lease, and upon application to any court of equity having jurisdiction in the premises Westinghouse shall be entitled to a decree against the Trustees so as to assemble, deliver, store and transport the Units.

Without in any way limiting the obligation of the Trustees under the foregoing provisions of this Section 15, they hereby irrevocably appoint Westinghouse as their agent and attorney, with full power and authority, at any time while they are obligated to deliver possession of any Unit to Westinghouse, to demand and take possession of such Unit in their name and

behalf from whomsoever shall be at the time in possession of such Unit.

Except as otherwise provided in Section 10 hereof, in the event that any Unit or Units subject to this Lease are not redelivered to Westinghouse on or before the date on which the term of this Lease expires, all of the obligations of the Trustees under this Lease with respect to such Unit or Units shall remain in full force and effect until such Unit or Units are redelivered to Westinghouse.

SECTION 17. PURCHASE OPTIONS. Provided that this Lease has not been earlier terminated and the Trustees are not in default hereunder, Lessees may by written notice delivered to Westinghouse not less than six months prior to the end of the Initial Term, the First Extended Term or the Second Extended Term of this Lease, elect to purchase all of the Units covered by this Lease at the end of such term or extension of this Lease for a purchase price equal to the Fair Market Value of such Units as of the end of such term or extension.

If on or before four months prior to the termination of the term of this Lease or any extension thereof, Westinghouse and the Trustees are unable to agree upon a determination of the Fair Market Value of the Units, the Fair Market Value as herein-after defined shall be determined by a qualified independent appraiser. The term Appraiser shall mean such independent appraiser as Westinghouse and the Trustees may mutually agree upon, or failing such agreement, a panel of three independent appraisers, one of whom shall be selected by Westinghouse, the second by the Trustees and the third designated by the first two so selected. The Appraiser shall be instructed to make such determination within a period of 30 days following appointment, and shall promptly communicate such determination in writing to

Westinghouse and the Trustees. The expenses and fee of the Appraiser shall be borne by the Trustees.

Fair Market Value shall mean at any time for the determination thereof an amount determined on the basis of, and equal to, the value which would obtain in an arms-length transaction between an informed and willing buyer-user (other than (i) a lessee currently in possession and (ii) a used equipment dealer) and an informed and willing seller under no compulsion to sell and, in such determination, costs of removal from the location of current use shall not be a deduction from such value.

SECTION 18. MODIFICATION OF LEASE. This Lease and the Warranty Agreement exclusively and completely state the rights of Westinghouse and the Trustees with respect to the Units. No modification, variation, termination, discharge or abandonment hereof and no waiver of any of the provisions or conditions shall be valid unless in writing and signed by duly authorized representatives of Westinghouse and the Trustees, or the successors, transferees or assigns of either, subject, however, to the limitations on assignment hereof by the Trustees.

SECTION 19. SECTION HEADINGS AND CERTAIN REFERENCES. All section headings are inserted for convenience only and shall not affect any construction or interpretation of this Lease. Unless otherwise indicated, all references herein to sections, subsections, clauses and other subdivisions refer to the corresponding sections, subsections, clauses and other subdivisions of this Lease; the words "herein", "hereof", "hereby", "hereto", "hereunder", and words of similar import refer to this Lease as a whole and not to any particular section, subsection, clause or other subdivision hereof; and reference to a numbered or lettered subdivision of a section shall include relevant

matter within the section which is applicable to but not within such numbered or lettered subdivision.

SECTION 20. CERTAIN APPLICABLE LAWS. Any provision hereof prohibited by or unlawful or unenforceable under any applicable law or any jurisdiction shall as to such jurisdiction be ineffective without modifying the remaining provisions of this Lease. Where, however, the provisions of any such applicable law may be waived, they are hereby waived by the Trustees to the full extent permitted by law, to the end that this Lease shall be deemed to be a valid, binding agreement enforceable in accordance with its terms.

SECTION 21. 360 DAY YEAR. Computations hereunder involving the determination of interest or discount shall be made on the basis of a 360-day year of twelve 30-day months.

SECTION 22. NOTICES. All demands, notices and other communications hereunder shall be in writing and shall be deemed to have been duly given when personally delivered or delivered to a United States post office, first-class postage prepaid, or to a telegraph office, charges prepaid, addressed as follows:

If to the Lessor:

Westinghouse Leasing Corporation
Gateway Center No. 3
Pittsburgh, Pennsylvania 15222

If to the Lessees:

Trustees of the Property of
Erie Lackawanna Railway Company
Midland Building
Cleveland, Ohio 44115
Attention: Treasurer

or to such other addresses as may hereafter be furnished in writing by either party to the other.

SECTION 23. GOVERNING LAW. The provisions of this Lease and all rights and obligations hereunder shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania.

SECTION 24. SURVIVAL OF COVENANTS. Any other provisions contained in this Lease to the contrary notwithstanding, it is hereby agreed that the provisions of Sections 8, 11, 12, 15 and 16 hereof shall survive the expiration or termination hereof.

SECTION 25. SUCCESSORS AND ASSIGNS. Subject to the provisions of Section 15, this Lease shall be binding upon and shall inure to the benefit of Westinghouse and the Trustees and their respective successors and assigns, and no other persons shall have or acquire any right under or by virtue of this Lease.

SECTION 26. EXECUTION IN COUNTERPARTS. This Lease may be executed simultaneously in several counterparts, each of which so executed shall be deemed to be an original, and all such counterparts together shall constitute but one and the same instrument.

SECTION 27. RECORDING. The Trustees, without expense to Westinghouse, will cause this Lease and all amendments, supplements, and assignments hereof or thereof, to be duly filed and recorded and re-filed and re-recorded with the Interstate Commerce Commission in accordance with Section 20c of the Interstate Commerce Act and this Lease to be deposited with the Registrar General of Canada in accordance with Section 86 of the Railway Act (a notice of such deposit to be given in the "Canada Gazette" pursuant to said Section 86). Trustees will promptly

furnish to Westinghouse certificates or other evidences of such filing and recording and re-filing and re-recording and an opinion satisfactory to Westinghouse of Counsel for the Trustees, or an attorney designated by him satisfactory to Westinghouse, with respect thereto. In addition, the Trustees shall do and perform all such other acts as may be required by law, or reasonably requested by Westinghouse, for its protection of title to the interest in the Units.

SECTION 28. OTHER EQUIPMENT LEASES AND SECURED OBLIGATIONS. The Trustees agree that, during the continuance of this Lease, they will not assume or enter into any other leases of equipment, equipment trust agreements, conditional sale agreements or other liabilities or obligations in connection with the leasing or financing of the acquisition of rolling stock equipment, (i) if such liabilities or obligations would be entitled, directly or indirectly, to any priority in right of payment over the obligations of the Trustees under this Lease or (ii) if such liabilities or obligations would be secured, directly or indirectly, by any mortgage, lien or other security interest in property of EL or the Trustees (except the rolling stock equipment or other property involved in the particular transaction) unless the obligations of the Trustees under this Lease are given the same priority and are equally and ratably secured thereby.

SECTION 29. This Lease is a net lease and the Trustees shall not be entitled to any abatement of rent, reduction thereof or set off against rent, including, but not limited to, abatements, reductions or set offs due or alleged to be due to, or by reason of, any past, present or future claims involving this Lease or other dealings between Westinghouse and the Trustees.

IN WITNESS WHEREOF, Westinghouse has caused this Lease to be executed in its corporate name, by one of its officers

thereunto duly authorized, and its corporate seal to be hereunto affixed and duly attested; and the Trustees have caused this Lease to be executed on their behalf.

ATTEST:

F. Neal Sever
Secretary

WESTINGHOUSE LEASING CORPORATION

BY

C. C. Maupin
Vice President

En 4

WITNESS:

M. M. Adams

THOMAS F. PATTON AND RALPH S. TYLER, JR., TRUSTEES OF THE PROPERTY OF ERIE LACKAWANNA RAILWAY COMPANY, DEBTOR

BY

Clarence W. Hah
Vice President

COMMONWEALTH OF PENNSYLVANIA
COUNTY OF ALLEGHENY

SS:


On this 25th day of May, 1973, before me personally appeared C. C. Maupin to me personally known, who, being by me duly sworn, said that he is Vice President of Westinghouse Leasing Corporation that the seal affixed to the foregoing instrument is the corporate seal of said Corporation, that said instrument was signed and sealed on behalf of said Corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Corporation.

Janet E. Adams

JANET E. ADAMS, Notary Public
Pittsburgh, Allegheny Co., Pa.
My Commission Expires April 9, 1975

STATE OF OHIO }
COUNTY OF CUYAHOGA } SS:

On this 24th day of April , 1973, before me personally appeared Richard H. Hahn , to me personally known, who, being by me duly sworn said that he is a Vice President of the Trustees of the property of Erie Lackawanna Railway Company, Debtor, that the foregoing instrument was signed by him on behalf of and by authority of the Trustees of the property of Erie Lackawanna Railway Company, Debtor, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Trustees.



S. E. BAKER, Notary Public
Cuyahoga County, Ohio
My Commission Expires Aug. 29, 1973

SCHEDULE A

<u>Description</u>	<u>Specification # and Date</u>	<u>Unit Weight</u>	<u>Railroad's Road No.</u>	<u>Unit Cost</u>	<u>Total</u>
Three (3) 100-ton depressed center flat cars	Builders Specifica- tion No. 562 dated December 12, 1972	63,000		\$35,381.63*	\$106,144.89*
Three (3) 125-ton depressed center flat cars	Builders Specifica- tion No. 563 dated December 12, 1972	126,000		\$70,741.14*	<u>\$212,223.42*</u> <u>\$318,368.31*</u>

* Estimated price; final price to be determined by final invoice.

EXHIBIT A - RENT PER UNIT

Initial Term

1st Fifteen Years \$ 9.80 per \$1,000 of unit cost = Monthly Rental per Unit

The rent during the extended terms, if any, shall be as shown
below:

1st Five Year Extension \$ 3.27 per \$1,000 of unit cost = Monthly Rental per Unit

2nd Five Year Extension \$ 2.45 per \$1,000 of unit cost = Monthly Rental per Unit

EXHIBIT B

CERTIFICATE OF INSPECTION AND ACCEPTANCE

To:

WESTINGHOUSE LEASING CORPORATION
Gateway Center No. 3
Pittsburgh, Pennsylvania 15222

We do hereby certify as follows:

(i) The below described Units of railroad equipment (the Units) were delivered by Manufacturer to the Railroad Trustees at the Railroad's tracks at
on the indicated dates:

<u>Description</u>	<u>Quantity</u>	<u>Railroad's Road Number</u>	<u>Date of Delivery</u>
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(ii) The Units have been inspected by duly appointed and authorized representatives of Purchaser and the Railroad Trustees at the plant of Manufacturer and again at the point of delivery hereinbefore specified in accordance with Section 1 of the Purchase Contract. Such inspections show (a) that the Units are in good order and condition and conform to the Specifications referred to in the Purchase Contract and to all applicable Federal Railroad Administration requirements and all standards recommended by the Association of American Railroads and (b) that

there was plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each Unit a metal plate on which plainly and conspicuously appear the following words in letters not less than one inch in height:

WESTINGHOUSE LEASING CORPORATION
PITTSBURGH, PENNSYLVANIA
OWNER AND LESSOR

and that each Unit was plainly and distinctly marked with
and the Railroad's
Road Number set forth above with respect thereto.

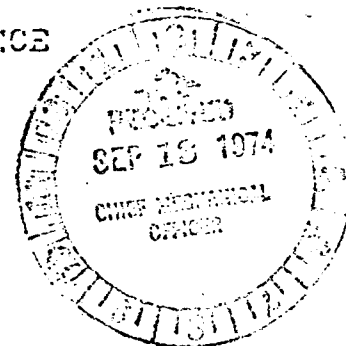
(iii) On the aforesaid dates of delivery the Units were duly accepted by the undersigned on behalf of Purchaser and the Railroad Trustees as the Lessees thereof referred to in the Purchase Contract.

Dated: , 197_.

(Representative of ELR)

(Representative of WLC)

CERTIFICATE OF INSPECTION AND ACCEPTANCE



To:

WESTINGHOUSE LEASING CORPORATION
Gateway Center No. 3
Pittsburgh, Pennsylvania 15222

We do hereby certify as follows:

(i) The below described Units of railroad equipment (the Units) were delivered by Manufacturer to the Railroad Trustees at the Railroad's tracks at
on the indicated dates:

<u>Description</u>	<u>Quantity</u>	<u>Railroad's Road Number</u>	<u>Date of Delivery</u>
150 Ton Depressed Flat Car	1	EL 7600	September 13, 1974
150 Ton Depressed Flat Car	1	EL 7601	September 13, 1974
150 Ton Depressed Flat Car	1	EL 7602	September 13, 1974

(ii) The Units have been inspected by duly appointed and authorized representatives of Purchaser and the Railroad Trustees at the plant of Manufacturer and again at the point of delivery hereinbefore specified in accordance with Section 1 of the Purchase Contract. Such inspections show (a) that the Units are in good order and condition and conform to the Specifications referred to in the Purchase Contract and to all applicable Federal Railroad Administration requirements and all standards recommended by the Association of American Railroads and (b) that

there was plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each Unit a metal plate on which plainly and conspicuously appear the following words in letters not less than one inch in height:

WESTINGHOUSE LEASING CORPORATION
PITTSBURGH, PENNSYLVANIA
OWNER AND LESSOR

and that each Unit was plainly and distinctly marked with
and the Railroad's
Road Number set forth above with respect thereto.

(iii) On the aforesaid dates of delivery the Units were duly accepted by the undersigned on behalf of Purchaser and the Railroad Trustees as the Lessees thereof referred to in the Purchase Contract.

Dated: September 6, 1974.

E. F. Bernick ^{E.F.B. 9-12}

(Representative of ELR)

H. Y. Hadwin PA 9/9/74

(Representative of WLC)

Manager of Transportation
Westinghouse Electric Corporation
Sharon, Pa.

H. Y. Hadwin
9/12/74

CERTIFICATE OF INSPECTION AND ACCEPTANCE

To:

WESTINGHOUSE LEASING CORPORATION
Gateway Center No. 3
Pittsburgh, Pennsylvania 15222

We do hereby certify as follows:

(i) The below described Units of railroad equipment (the Units) were delivered by Manufacturer to the Railroad Trustees at the Railroad's tracks at
on the indicated dates:

<u>Description</u>	<u>Quantity</u>	<u>Railroad's Road Number</u>	<u>Date of Delivery</u>
90-Ton Depressed Center Flatcar	3	EL 7100 EL 7101 EL 7102	6-13-74

(ii) The Units have been inspected by duly appointed and authorized representatives of Purchaser and the Railroad Trustees at the plant of Manufacturer and again at the point of delivery hereinbefore specified in accordance with Section 1 of the Purchase Contract. Such inspections show (a) that the Units are in good order and condition and conform to the Specifications referred to in the Purchase Contract and to all applicable Federal Railroad Administration requirements and all standards recommended by the Association of American Railroads and (b) that

there was plainly, distinctly, permanently and conspicuously placed and fastened upon each side of each Unit a metal plate on which plainly and conspicuously appear the following words in letters not less than one inch in height:

WESTINGHOUSE LEASING CORPORATION
PITTSBURGH, PENNSYLVANIA
OWNER AND LESSOR

and that each Unit was plainly and distinctly marked with
and the Railroad's
Road Number set forth above with respect thereto.

(iii) On the aforesaid dates of delivery the Units were duly accepted by the undersigned on behalf of Purchaser and the Railroad Trustees as the Lessees thereof referred to in the Purchase Contract.

Dated: June 13 , 1974.



(Representative of ELR)
E.F. Cermak, Mechanical Engineer
Erie Lackawanna Railway



(Representative of WLC)
V.E. Gadrix, Manager Transportation
Sharon Transformer Division
Westinghouse Electric Corporation